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Judgment No.: 027
Dt.: 07-12-2023



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Judgment Deals With

Section/Rule	Section 67
Authority	Delhi High Court
Case Name	Gunjan Bindal And Anr. VS Commissioner Of CGST, Delhi West And Ors.
Dated	17 th November, 2023

Brief Facts:

The petitioners are brothers residing in separate floors of a building at New Delhi. On 18.01.2020, a search was conducted at the residential premises of the petitioners under Section 67 of CGST Act, 2017. Amongst other articles, cash amounting to ₹14,50,000/- was found in the bedroom of petitioner no.1 located on the second floor of the premises, and cash amounting to ₹1,00,50,000/- was found from the bedroom of petitioner no.2 located on the fourth floor. Since the petitioners were unable to provide any satisfactory explanation or any documentary evidence to support the source of the cash, the officers resumed the cash on the belief that it had resulted from unlawful activity or was sale proceeds of goods without proper accounting.

Contention of Petitioners:

The petitioners repeatedly requested the Department for release of the said amount but the said cash has not been released. The concerned officers had no power to seize cash under Section 67 of the CGST Act on the ground that the same was not satisfactorily explained.

Findings & Order:

This issue is covered by the earlier decisions of this Court in **Deepak Khandelwal Proprietor M/s Shri Shyam Metal v. Commissioner of CGST, Delhi West & Anr.** and **Rajeev Chhatwal v. Commissioner of Goods and Services Tax (East)**.

Accordingly, the Department is liable to refund the money seized. The Department stated that the amounts so seized has been kept in a fixed deposit bearing interest. Thus, Department was directed to remit the amount of ₹14,50,000/- along with accrued interest to the bank account of petitioner no.1, and remit ₹1,00,50,000/- along with accrued interest to the bank account of petitioner no.2.

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